



Department of Medical Assistance Services
600 East Broad Street
Suite 1300
Richmond, Virginia
23219

MEDICAID MEMO

MEMO	Special
DATE	9-1-95

TO: All Participating Medicaid Providers Submitting
Claims on the HCFA-1500 Claim Form

FROM: Robert C. Metcalf, Director
Department of Medical Assistance Services

SUBJECT: Change in Coordination of Benefits Procedures

The purpose of this memorandum is to inform you of changes in Medicaid's Coordination of Benefits procedures when a recipient has insurance other than Medicaid, and no payment has been made by the primary carrier. This change only applies to those providers submitting claims on the HCFA-1500 claim form.

Beginning with claims received on and after December 1, 1995, Virginia Medicaid will deny all claims submitted with a Coordination of Benefits (COB) code of 5 (Billed, No Coverage) in Locator 24J of the HCFA-1500 claim form, **unless there is an attachment documenting one of the following:**

- The Explanation of Benefits (EOB) from the primary carrier; or
- A statement from the primary carrier that there is no coverage for this service; or
- An explanation from the provider that the other insurance does not provide coverage for the service being billed (e.g., this is a claim for surgery and the other coverage is dental), or
- A statement from the provider indicating that the primary insurance has been canceled.

The above information, if applicable, must be submitted with each claim that contains a COB code of 5. Claims received with no attachment will be denied for reason 495, "*Other Insurance Information Missing.*"

ELECTRONIC BILLING INSTRUCTIONS

Providers who submit claims to Virginia Medicaid electronically via dial-up, tape, or diskette, must indicate a value of "6" in field 38 (*Document Indicator*) of the EA0 record and a value of "B" in field 39 (*Type of Documentation*) to indicate that there is an attachment to this claim. In addition, the HA0 record, *Service Line Narrative*, must contain a narrative description of the information that is on file in your office to support the COB code 5 for the claim being submitted.

This change in procedures is necessary to ensure that Medicaid meets the federal requirement of being the last payer when other insurance is available for payment for the service rendered.

"HELPLINE"

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The "HELPLINE" is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to

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answer questions. The "HELPLINE" numbers are:

786-6273
1-800-552-8627

Richmond Area
All Other Areas

Please remember that the "HELPLINE" is for provider use only.